GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:642
ANSWERED ON:09.07.2004
PRODUCTIVITY OF POWERLOOMS AND TEXTILES
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Will the Minister of TEXTILES be pleased to state:

(a) whether 21 percent of the total production cost in manufacturing of cloth in the country is assessed on power;

(b) if not, the facts in this regard along with the cost assessed on power manufacturing countries of the world; and

(c) whether keeping in view the prevailing power supply situation and high power tariff, there is a need to provide incentives to handicraft sector under textile industry?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

(a) & (b) The international production cost comparison for the year 2003, as obtained from International Textile Manufacturers Federation (ITMF), shows the power cost as 15%, 16% and 17% of fabric cost in India in case of Textured Yarn Fabric (Synthetic), O-E Yarn Fabric (Cotton) & Ring Yarn Fabric (Cotton & Blended) respectively. It may be seen from the figures furnished in Annexure-I that the Cost of power is lowest in Brazil i.e. 6%-7% of the fabric cost. Power cost is highest in India for Ring Yarn Fabric (Cotton & Blended) (17%) and O-E Yarn Fabric (Cotton) (16%), while in case of Textured Yarn Fabric (Synthetic), Power cost in Italy is the highest i.e. 28% of the fabric cost.

(c) Handicraft items are made by hand often with the use of simple tools which require no power or very little power. As such, no incentive in this regard is needed in the handicraft sector.

Annexure-I

Cost of Power in Manufacturing of Cloth in Various Countries (2003)

(in US$ per yard of fabric)

Kind of fabric	Brazil	China	India	Italy	Korea	Turkey	USA
Woven Ring-Yarn Fabric	0.046	0.089	0.112	0.146	0.070	0.098	0.068
	7%	13%	17%	13%	9%	13%	8%
Woven O-E Yarn Fabric	0.041	0.077	0.097	0.127	0.062	0.086	0.060
	6%	12%	16%	13%	9%	13%	8%
Woven Textured Yarn Fabric	0.033	0.072	0.089	0.300	0.055	0.075	0.247
	6%	14%	15%	28%	10%	12%	27%

(Source: - Tables 66, 67, and 73 of Compendium of International Textile Statistics 2004 Published by the O/o the Textile Commissioner, Mumbai.)